

Participation

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EVERY COOPERATOR CAN HELP STRENGTHEN AAA
BY URGING OTHER FARMERS TO PARTICIPATE

Reserve

Every farmer who is participating in the AAA Farm Program can help make his program more effective by urging other farmers to cooperate. Every farmer who fails to participate in the Farm Program weakens the program and lessens its effectiveness for those who do.

This is particularly true in 1941. Because of the European War and the National Defense Program, ample allowance has been made for the production of all food and feed that may possibly be needed. Accordingly, the allotments for most commodities in 1941 are larger than they normally would have been. This applies to both corn and wheat. As a result of this situation, abundant production is assured, and, if excessive production is to be avoided, a high percentage of participation in the Farm Program this year is necessary.

Most of the noncooperators are farmers or land owners who have elected to sacrifice part of the fertility of their farms and to disregard the welfare of farmers generally in return for the chance of immediate gains from large acreages of soil-depleting crops. Such benefits as they have realized have come at the expense of program participants.

Here are some of the ways in which noncooperators lessen the effectiveness of the program for cooperators:

(1) Allotments Reduced: Because of safeguards in AAA allotment procedure, a noncooperator does not increase his share of the national allotment for any crop by over-planting. However, the over-production of national goals to which he contributes often brings about reductions in national, State and county allotments that affect all farmers - both those who participate and those who do not. In 1940, for instance, non-participation of farmers in high-producing areas was largely responsible for the fact that the national production goals for both corn and wheat were exceeded by about 10 percent. Only the war emergency prevented the allotments for both crops from being reduced in 1941 as a result of this excess production. Considerably less than this amount of over-production would make marketing quotas necessary on both corn and wheat in 1941.

(2) Ever-Normal Granary Endangered: While noncooperators are not eligible for loans on corn and wheat, they receive a higher price for these crops because of the effective loan programs made possible by cooperators. Yet, by creation of surplus supplies of corn and wheat not eligible for loan, noncooperators tend to lessen the price-strengthening effect of the loan, preventing the market price from rising much above the loan rate and making the loan program less advantageous to participants than it would otherwise be. Surpluses created in this way could in time threaten the entire Ever-Normal Granary by making the Government's security for its loans too hazardous to warrant continuing the loan program.

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(3) Surplus Livestock Produced: Surplus feed grains produced by noncooperators are used to produce surplus livestock, which depresses livestock prices for all farmers and feeders, including the cooperators who attempt to adjust livestock numbers to market needs. As an example of this, the large corn acreages and crops of 1937 and 1938, before the AAA Program was fully effective, resulted in a record pig crop in 1939. It was this huge crop, moving to market, that caused low hog prices throughout 1940. The best protection farmers have against recurrence of this situation is close adherence to AAA allotments for corn and for general feed crops.

(4) Less Conservation Accomplished: Conservation efforts of participating farmers are offset to the extent that non-participants overplant their allotments of soil-depleting crops.

